

## **PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

### **TABLE OF CONTENTS**

#### **SUBPART 52.1 — INSTRUCTIONS FOR USING PROVISIONS AND CLAUSES**

- 52.101 Using Part 52.
- 52.102-1 Incorporation by reference.

#### **SUBPART 52.2 — TEXTS OF PROVISIONS AND CLAUSES**

- 52.211-5000 Evaluation of subdivided items.
- 52.211-5001 Variations in estimated quantities — subdivided items.
- 52.214-5000 Apparent clerical mistakes.
- 52.231-5000 Equipment ownership and operating expense schedule.
- 52.232-5000 Payment for materials delivered off-site.
- 52.232-5001 Continuing contracts.
- 52.232-5002 Continuing contracts (alternate).
- 52.236-5000 Plant and material removal after contract termination.
- 52.249-5000 Basis for settlement of proposals.

## ENGINEER FAR SUPPLEMENT(EFARS)

### **PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

---

#### **SUBPART 52.1 — INSTRUCTIONS FOR USING PROVISIONS AND CLAUSES**

##### **52.101 Using Part 52.**

(b)(2)(ii)(B) In accordance with AFARS policy, the sequential number for EFARS clauses will be in the 5000 series.

##### **52.102-1 Incorporation by reference.**

If solicitation provisions or contracts clauses are incorporated by reference, the reference must include the exact date of the provision or clause.

#### **SUBPART 52.2 — TEXTS OF PROVISIONS AND CLAUSES**

##### **52.211-5000 Evaluation of subdivided items.**

As prescribed at 11.403(c), insert the following provision:

##### **EVALUATION OF SUBDIVIDED ITEMS (MAR 1995) — EFARS**

Item Nos. \_\_\_\_\_ are subdivided into two or more estimated quantities and are to be separately priced. The Government will evaluate each of these items on the basis of total price of its sub-items.

(End of provision)

##### **52.212-5001 Variations in estimated quantities — subdivided items.**

As prescribed at 11.403(c), insert the following clause in solicitations and contracts for fixed-price construction contracts when subdivided items are to be separately priced for payment purposes.

##### **VARIATIONS IN ESTIMATED QUANTITIES — SUBDIVIDED ITEMS (MAR 1995) — EFARS**

This variation in estimated quantities clause is applicable only to Items Nos.\_\_\_\_.

(a) Variation from the estimated quantity in the

actual work performed under any second or subsequent sub-item or elimination of all work under such a second or subsequent sub-item will not be the basis for an adjustment in contract unit price.

(b) Where the actual quantity of work performed for items Nos.\_\_\_\_ is less than 85% of the quantity of the first sub-item listed under such item, the contractor will be paid at the contract unit price for that sub-item for the actual quantity of work performed and, in addition, an equitable adjustment shall be made in accordance with the clause FAR 52.211-18, Variation in Estimated Quantities.

(c) If the actual quantity of work performed under Items Nos. \_\_\_\_\_ exceeds 115% or is less than 85% of the total estimated quantity of the sub-item under that item and/or if the quantity of the work performed under the second sub-item or any subsequent sub-item under Items Nos.\_\_\_\_ exceeds 115% or is less than 85% of the estimated quantity of any such sub-item, and if such variation causes an increase or a decrease in the time required for performance of this contract the contract completion time will be adjusted in accordance with the clause FAR 52.211-18, Variation in Estimated Quantities.

(End of clause)

##### **52.214-5000 Apparent clerical mistakes.**

As prescribed at 14.406-2 insert the following statement in solicitation and contracts.

##### **ARITHMETIC DISCREPANCIES**

(a) For the purpose of initial evaluations of bids, the following will be utilized in the resolving arithmetic discrepancies found on the face of bidding schedule as submitted by the bidder:

(1) Obviously misplaced decimal points will be corrected;

(2) Discrepancy between unit price and extended price, the unit price will govern;

(3) Apparent errors in extension of unit prices will be corrected;

## ENGINEER FAR SUPPLEMENT(EFARS)

### **PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

---

(4) Apparent errors in addition of lump-sum and extended prices will be corrected.

(b) For the purpose of bid evaluation, the government will proceed on the assumption that the bidder intends his bid to be evaluated on basis of the unit prices, the totals arrived at by resolution of arithmetic discrepancies as provided above and the bid will be so reflected on the abstract of bids.

(c) These correction procedures shall not be used to resolve any ambiguity concerning which bid is low.

(End of statement)

#### **52.231-5000 Equipment ownership and operating expense schedule.**

As prescribed in 31.105-100, insert the following clause in all solicitations and contracts for construction that are expected to exceed the small purchase threshold.

#### **EQUIPMENT OWNERSHIP AND OPERATING EXPENSE SCHEDULE (MAR 1995) — EFARS**

(a) This clause does not apply to terminations. See 52.249-5000, Basis for settlement of proposals and FAR Part 49.

(b) Allowable cost for construction and marine plant and equipment in sound workable condition owned or controlled and furnished by a contractor or subcontractor at any tier shall be based on actual cost data for each piece of equipment or groups of similar serial and series for which the Government can determine both ownership and operating costs from the contractor's accounting records. When both ownership and operating costs cannot be determined for any piece of equipment or groups of similar serial or series equipment from the contractor's accounting records, costs for that equipment shall be based upon the applicable provisions of EP 1110-1-8, Construction Equipment Ownership and Operating Expense Schedule, Region [*insert Roman numeral for the appropriate region of the schedule*]. Working conditions shall be considered to be average for determining equipment rates using the schedule unless

specified otherwise by the contracting officer. For equipment not included in the schedule, rates for comparable pieces of equipment may be used or a rate may be developed using the formula provided in the schedule. For forward pricing, the schedule in effect at the time of negotiations shall apply. For retroactive pricing, the schedule in effect at the time the work was performed shall apply.

(c) Equipment rental costs are allowable, subject to the provisions of FAR 31.105(d)(ii) and FAR 31.205-36. Rates for equipment rented from an organization under common control, lease-purchase arrangements, and sale-leaseback arrangements, will be determined using the schedule, except that actual rates will be used for equipment leased from an organization under common control that has an established practice of leasing the same or similar equipment to unaffiliated lessees.

(d) When actual equipment costs are proposed and the total amount of the pricing action exceeds the small purchase threshold, the contracting officer shall request the contractor to submit either certified cost or pricing data, or partial/limited data, as appropriate. The data shall be submitted on Standard Form 1411, Contract Pricing Proposal Cover Sheet.

(End of clause)

#### **52.232-5000 Payment for materials delivered off-site.**

As prescribed in 32.111(S-100), insert the following clause in solicitations and contracts for construction.

#### **PAYMENT FOR MATERIALS DELIVERED OFF-SITE (MAR 1995) — EFARS**

(a) Pursuant to FAR clause 52.232-5, Payments Under Fixed Priced Construction Contracts, materials delivered to the contractor at locations other than the site of the work may be taken into consideration in making payments if included in payment estimates and if all the conditions of the General Provisions are fulfilled. Payment for items delivered to locations other than the work site will be limited to: (1) materials required by the \*technical provisions; or (2) materials that have been\* fabricated to the point where they are identifiable to an

## ENGINEER FAR SUPPLEMENT(EFARS)

### PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES

---

item of work required under this contract.

(b) Such payment will be made only after receipt of paid or receipted invoices or invoices with canceled check showing title to the items in the prime contractor and including the value of material and labor incorporated into the item. In addition to petroleum products, payment for materials delivered off-site is limited to the following items: *[List items for which payments will be made for off-site delivery]*

(End of clause)

#### 52.232-5001 Continuing contracts.

As prescribed at 32.705-100(a), insert the following clause in civil works solicitations and contracts:

#### CONTINUING CONTRACTS (MAR 1995) — EFARS

(a) This is a continuing contract, as authorized by Section 10 of the River and Harbor Act of September 22, 1922 (33 U.S. Code 621). The payment of some portion of the contract price is dependent upon reservations of funds from future appropriations, and from future contribution to the project having one or more non-federal project sponsors. The responsibilities of the Government are limited by this clause notwithstanding any contrary provision of the "Payments to Contractor" clause or any other clause of this contract.

(b) The sum of \$\_\_\_\_\_ has been reserved for this contract and is available for payments to the contractor during the current fiscal year. It is expected that Congress will make appropriations for future fiscal years from which additional funds together with funds provided by one or more non-federal project sponsors will be reserved for this contract.

(c) Failure to make payments in excess of the amount currently reserved, or that may be reserved from time to time, shall not entitle the contractor to a price adjustment under the terms of this contract except as specifically provided in paragraphs (f) and (I) below. No such failure shall constitute a breach of this contract, except that this provision shall not bar a breach-of-contract action if an

amount finally determined to be due as a termination allowance remains unpaid for one year due solely to a failure to reserve sufficient additional funds therefore.

(d) The Government may at any time reserve additional funds for payments under the contract if there are funds available for such purpose. The contracting officer will promptly notify the contractor of any additional funds reserved for the contract by issuing an administrative modification to the contract.

(e) If earnings will be such that funds reserved for the contract will be exhausted before the end of any fiscal year, the contractor shall give written notice to the contracting officer of the estimated date of exhaustion and the amount of additional funds which will be needed to meet payments due or to become due under the contract during that fiscal year. This notice shall be given not less than 45 nor more than 60 days prior to the estimated date of exhaustion.

(f) No payments will be made after exhaustion of funds except to the extent that additional funds are reserved for the contract. The contractor shall be entitled to simple interest on any payment that the contracting officer determines was actually earned under the terms of the contract and would have been made except for exhaustion of funds. Interest shall be computed from the time such payment would otherwise have been made until actually or constructively made, and shall be at the rate established by the Secretary of the Treasury pursuant to Public Law 92-41, 85 STAT 97, as in effect on the first day of the delay in such payment.

(g) Any suspension, delay, or interruption of work arising from exhaustion or anticipated exhaustion of funds shall not constitute a breach of this contract and shall not entitle the contractor to any price adjustment under the "Suspension of Work" clause or in any other manner under this contract.

(h) An equitable adjustment in performance time shall be made for any increase in the time required for performance of any part of the work arising from exhaustion of funds or the reasonable anticipation of exhaustion of funds.

## ENGINEER FAR SUPPLEMENT(EFARS)

### **PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

---

(I) If, upon the expiration of sixty (60) days after the beginning of the fiscal year following an exhaustion of funds, the Government has failed to reserve sufficient additional funds to cover payments otherwise due, the contractor, by written notice delivered to the contracting officer at any time before such additional funds are reserved, may elect to treat his right to proceed with the work as having been terminated. Such a termination shall be considered a termination for the convenience of the Government.

(j) If at any time it becomes apparent that the funds reserved for any fiscal year are in excess of the funds required to meet all payments due or to become due the contractor because of work performed and to be performed under the contract during the fiscal year, the Government reserves the right, after notice to the contractor, to reduce said reservation by the amount of such excess.

(End of clause)

#### **52.232-5002 Continuing contracts (alternate).**

As prescribed at 32.705-100(b), insert the following clause in civil works solicitations and contracts:

#### **CONTINUING CONTRACTS (ALTERNATE) (MAR 1995) — EFARS**

(a) Funds are not available at the inception of this contract to cover the entire contract price. The sum of \$\_\_\_\_\_ has been reserved for this contract and is available for payment to the contractor during the current fiscal year. It is expected that Congress will make appropriations for future fiscal years from which additional funds, together with funds provided by one or more non-federal project sponsors will be reserved for this contract. The liability of the United States for payments beyond the funds reserved for this contract is contingent on the reservation of additional funds.

(b) Failure to make payments in excess of the amount currently reserved, or that may be reserved from time to time, shall not be considered a breach of this contract, and shall not entitle the contractor to a price adjustment under the terms of this contract except as specifically provided in paragraphs (e) and (h)

below.

(c) The Government may at any time reserve additional funds for payments under the contract if there are funds available for such purpose. The contracting officer will promptly notify the contractor of any additional funds reserved for the contract by issuing an administrative modification to the contract.

(d) If earnings will be such that funds reserved for the contract will be exhausted before the end of any fiscal year, the contractor shall give written notice to the contracting officer of the estimated date of exhaustion and the amount of additional funds which will be needed to meet payments due or to become due under this contract during that fiscal year. This notice shall be given not less than 45 nor more than 60 days prior to the estimated date of exhaustion.

(e) No payments will be made after exhaustion of funds except to the extent that additional funds are reserved for the contract. If and when sufficient additional funds are reserved, the contractor shall be entitled to simple interest on any payment that the contracting officer determines was actually earned under the terms of this contract and would have been made except for exhaustion of funds. Interest shall be computed from the time such payment would otherwise have been made until actually or constructively made, and shall be at the rate established by the Secretary of the Treasury pursuant to Public Law 92-41, 85 STAT 97, as in effect on the first day of the delay in such payment.

(f) Any suspension, delay, or interruption of work arising from exhaustion or anticipated exhaustion of funds shall not constitute a breach of this contract and shall not entitle the contractor to any price adjustment under a "Suspension of Work" or similar clause or in any other manner under this contract.

(g) An equitable adjustment in performance time shall be made for any increase in the time required for performance of any part of the work arising from exhaustion of funds or the reasonable anticipation of exhaustion of funds.

## ENGINEER FAR SUPPLEMENT(EFARS)

### **PART 52 — SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

---

(h) If, upon the expiration of sixty (60) days after the beginning of the fiscal year following an exhaustion of funds, the Government has failed to reserve sufficient additional funds to cover payments other wise due, the contractor, by written notice delivered to the contracting officer at any time before such additional funds are reserved, may elect to treat his right to proceed with the work as having been terminated. Such a termination shall be at no cost to the Government, except that, to the extent that additional funds to make payment therefore are allocated to this contract, it may be treated as a termination for the convenience of the Government.

(i) If at any time it becomes apparent that the funds reserved for any fiscal year are in excess of the funds required to meet all payments due or to become due the contractor because of work performed and to be performed under this contract during the fiscal year, the Government reserves the right, after notice to the contractor, to reduce said reservation by the amount of such excess.

(j) The term "Reservation" means monies that have been set aside and made available for payments under this contract.

(End of clause)

#### **52.236-5000 Plant and material removal after contract termination.**

As prescribed at 36.5100, insert the following clause in solicitations and contracts for civil works "continuing contracts" that also provide for payment of mobilization and preparatory work.

#### **PLANT AND MATERIAL REMOVAL AFTER CONTRACT TERMINATION (MAR 1995) — EFARS**

Should this contract be terminated as provided in clause 52.232-5001 because of the failure of Congress to provide additional funds for its completion, the contractor may be permitted to remove plant and material on which payments for preparatory work have been made, subject to an equitable deduction from the amounts due the contractor to reimburse the United States for the

unabsorbed value of such plant and material.  
(End of clause)

#### **52.249-5000 Basis for settlement of proposals.**

As prescribed at 49.113(100) insert the following statement in solicitations and contracts.

#### **BASIS FOR SETTLEMENT OF PROPOSALS**

"Actual costs will be used to determine equipment costs for a settlement proposal submitted on the total cost basis under FAR 49.206-2(b) . In evaluating a terminations settlement proposal using the total cost basis, the following principles will be applied to determine allowable equipment costs:

(1) Actual costs for each piece of equipment, or groups of similar serial or series equipment, need not be available in the contractor's accounting records to determine total actual equipment costs.

(2) If equipment costs have been allocated to a contract using predetermined rates , those charges will be adjusted to actual costs.

(3) Recorded job costs adjusted for unallowable expenses will be used to determine equipment operating expenses.

(4) Ownership costs (depreciation) will be determined using the contractor's depreciation schedule (subject to the provisions of FAR 31.205-11).

(5) License, taxes, storage and insurance costs are normally recovered as an indirect expense and unless the contractor charges these costs directly to contracts, they will be recovered through the indirect expense rate."

(End of Statement)